

# Overview of Maine's School District Reorganization Law

Presentation to  
Committee on the Financing and Effectiveness of  
the Vermont Education System in the 21<sup>st</sup>  
Century  
Vermont State Legislature

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## Rationale for School District Reorganization: “Perfect” Storm

- Continued growth in K-12 expenditures
- Declining school age enrollments
- Governor’s task force on increasing efficiencies, resulting in “Sinclair – Like” legislation, which was subsequently defeated
- Narrow defeats of two TABOR initiatives
- Successful citizen referendum for reducing property taxes, and subsequent passage of LD1 (55% State share)
- Three commission reports recommending some form of school district reorganization and/or restructuring
- Governor’s second term

School District Reorganization Laws  
(June 2007 and April 2008) were designed to  
promote achievement of two broad policy  
goals:

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1. Improve education opportunities for all students by increasing equity and access to rigorous academic programs which meet the requirements of Maine's learning standards; and
2. Increase the efficient use of limited resources in improving education opportunities.

## Policy Objectives

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- Increase efficiencies in all school units.
- Reorganize smaller SAUs into larger, more efficient units.
- Reorganize administrative structures and systemwide functions .
- Reduce cost/increase efficiencies.

## Types of School District Reorganizations

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### Basic

- SAUs with less than 2500 students required to reorganize.

### Alternative Plans

- SAUs between 2500-1200 allowed, if meet parameters
- SAUs between 1200-1000 allowed, if isolated rural ("inland island") SAU.
- "Donut hole"
- Alternative organizational structure (AOS)

### Exceptions

- SAUs with more than 2500 students
- Offshore islands
- Tribal schools
- Higher performing, efficient school districts

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## Process

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- Regional meetings June-July 2007
- Notice of Intent August 31, 2007
- File Reorganization Plan or Alternative Plan by December 1, 2007 or 2008
- Formation of Regional Planning Committee
  - Representation from:
    - School administrative units
    - Member municipalities
    - General public
- Development of Plan
- Referendum vote January 30, 2009

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## Reorganization Plan

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- Comprehensive programming for ALL students, K-12
- Meet the policy objectives
- Not displace teachers of students, or close and schools without referendum

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## Reorganization Plan

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- Governance structure
  - Size and composition
  - Method and voting
- Negotiations among partnering units on key issues
  - Real and personal school property
  - Existing school indebtedness and lease obligations
  - Fund balances, trust, and reserve funds
  - Transition plan (budget and personnel policies)
  - School personnel contracts

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## Governance

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RSU governed by regional school unit board

- Representation determined by communities as part of the planning process
- Core functions defined by law
- May create local school committees and specify their responsibilities – may propose additional funds above and beyond the RSU budget

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## RSU Board Core Functions

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These responsibilities cannot be delegated

- Employment of superintendent
- Performance of business functions
- Special education administration
- Transportation
- Core curriculum
- Budget
- Reporting
- Employment
- School Calendar
- Adoption of policies

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## Alternative Organizational Structure (AOS)

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- Plan must meet policy objectives
- Plan may include a collaborative agreement
- Plan must include an interlocal agreement
- Plan must include procedures for K-12 budget approval
- The budget validation referendum for all members of the AOS must be conducted on the same day

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## Alternative Organization a Structure (AOS)

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- Consolidation of:
  - System administration
  - Special education administration
  - Transportation administration
  - Administration of business functions
- Core curriculum
- Consistent school policies, school calendar, and a plan for consistent collective bargaining agreements

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## Maine Department of Education Support

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- Facilitators
- Financial support
- RSU guided support
- Educational planning for RSU/AOS
- Data conversion support
- Statewide transportation software

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## Provisions in Laws Included to Address Local Concerns

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1. Financial
  - Ability to negotiate local cost sharing
  - Permits SAU to keep minimum special education when joining an RSU
2. School closings
  - Requires 2/3 vote of RSU Board and the municipality where the school exits votes to approve the closing
  - Municipality is responsible for the added cost
3. Comprehensive programming for K-12, must insure programming for all 9-12 students

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## Provisions Included to Address Local Concerns (Cont'd)

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4. Municipal may retain ownership of facilities

5. School Choice

- Preserved
- Can not be taken away by RSU

6. Teachers and other SAU Employees

- Transferred to new unit
- Retain rights under collective bargaining contracts

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## Budget Process

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➤ All RSUs and all other SAUs must:

- Prepare school budgets showing the 11 cost centers
- Hold a regional school unit budget meeting
- Hold a budget validation referendum

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## Penalties for Nonconforming School Administrative Units

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- Minimum receives 50% of the minimum state allocation
- System administration reduced by 50%
- Local mill expectation is increased by 2%
- Lose eligibility for “ transition adjustments”
- Less favorable consideration for funding of school construction
- Assessed annually unless the unit approves a new reorganized unit and meets all criteria

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## Results as of July 1, 2009

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- 83% students in approved school administrative units
- 24 RSUs average enrollment 2,200
- Non-conforming schools (13% of students)
  - 15 non-conforming SAUs voted yes, to continue to seek partners
  - 110 non-conforming SAUs voted No
  - 50 of non-conforming districts do not operate schools
  - 26 fewer than 10 students
  - Half have fewer than 100 students

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## Next Steps



November  
2009  
Referendum  
to repeal  
school district  
reorganization  
law

- if repealed, legislative action required to potentially dissolve new units, and possibly restore state funds.
- if repealed, legislative action required regarding delayed penalties and non-conforming units.